

## UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE ☒ WATER SANDS LOCATION INSPL SUB REPORT/abd.

DATE FILED FEBRUARY 1, 1995

LAND: FEE & PATENTED

STATE LEASE NO.

PUBLIC LEASE NO.

UTU-0671

INDIAN

DRILLING APPROVED: FEBRUARY 2, 1995

SPUDED IN:

COMPLETED:

PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: LOCATION ABANDONED PER BLM EFF. FEBRUARY 23, 1996

FIELD: WALKER HOLLOW FIELD

UNIT: NA

COUNTY: UINTAH

WELL NO. RIGHT FORK UNIT #1

API NO. 43-047-32586

LOCATION 3835' FNL FT. FROM (N) (S) LINE.

501' FEL

FT. FROM (E) (W) LINE.

SE NE

1/4 - 1/4 SEC.

5

TWP.

RGE.

SEC.

OPERATOR

TWP.

RGE.

SEC.

OPERATOR

7S

23E

5

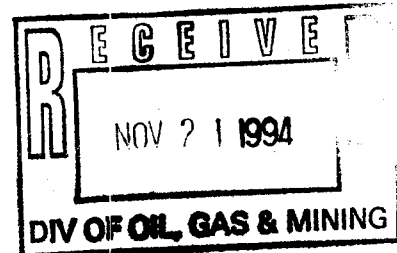
RIATA ENERGY, INC.



November 17, 1994

Utah Division of Oil, Gas & Mining  
3 Triad Center, Suite 350  
Salt Lake City, UT 84180-1203

Attn: Frank Matthews



Re: Loma Energy Corp.  
Right Fork Unit #1  
SE NE Sec. 5, T7S - R23E  
Uintah County, Utah

Dear Frank,

Enclosed please find three copies of the Application for Permit to Drill on the above mentioned well along with one copy of the drilling program and surface use plan which has been filed with the BLM in Vernal, Utah.

Please be advised that this lease expires on December 31, 1994 Therefore, your early approval would be greatly appreciated.

Please forward the approved copies to me at the address shown below and I will forward them to Loma. Thanks for your assistance in this matter. If you have any questions, please call.

Sincerely,

PERMITCO INC.

Lisa L. Smith  
Consultant for:  
Loma Energy Corp.

Enc.

cc: Loma Energy Corp. - Billings, MT  
Riata Energy, Inc. - Amarillo, TX

Permitco Incorporated  
A Petroleum Permitting Company

13585 Jackson Drive Denver, Colorado 80241 (303) 452-8888

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.  
**UTU-0671**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
**N/A**

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. TYPE OF WORK **DRILL** ☒ **DEEPEN** ☐ **PLUG BACK** ☐

1b. TYPE OF WELL

OIL  
WELL ☐

GAS  
WELL ☒ OTHER

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

7. UNIT AGREEMENT NAME  
**Right Fork Unit (Pending)**

8. FARM OR LEASE NAME  
**Right Fork Unit**

2. NAME OF OPERATOR **406/248-1144**

**Loma Energy Corp.**

**P.O. Box 21395**

**Billings, MT 59104**

3. ADDRESS OF OPERATOR **303/452-8888**

**PERMITCO INC. - Agent**

**13585 Jackson Drive**

**Denver, CO 80246**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At Surface

**3835' FNL and 501' FEL**

At proposed Prod. Zone

**SE NE Sec. 5, T7S - R23E**

9. WELL NO.

**#1**

10. FIELD AND POOL OR WILDCAT

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA

**Sec. 5, T7S - R23E**

12. COUNTY OR PARISH

**Uintah**

13. STATE

**Utah**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

**12.5 miles south of Jensen, Utah**

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY  
OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

**501'**

16. NO. OF ACRES ASSIGNED TO THIS WELL

**1863.07**

**40**

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL,  
DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.

**None**

19. PROPOSED DEPTH

**3,000'**

20. ROTARY OR CABLE TOOLS

**Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

**4493' GR**

22. APPROX. DATE WORK WILL START\*

**Upon approval of this application  
Lease Expiration 12/31/94**

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
<b>12-1/4"</b>	<b>8-5/8"</b>	<b>24#</b>	<b>244'</b>	<b>+/- 150 sx Type H - Circ to surf.</b>
<b>7-7/8"</b>	<b>4-1/2"</b>	<b>10.5</b>	<b>3,000'</b>	<b>250 sx or suffic to cover zones</b>

**of interest.**

Loma Energy Corp. proposes to drill a well to 3000' to test the Uinta formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements

See Onshore Order No. 1 attached.

**CONFIDENTIAL - TIGHT HOLE**

Please be advised that Loma Energy, Inc. is considered to be the Operator of the above mentioned well. Loma Energy Corp. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well will be provided by Loma Energy Corp.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. **SIGNED** *[Signature]*

**Consultant for:**

**TITLE Loma Energy Corp.**

**DATE 11/17/94**

(This space for Federal or State office use)

**PERMIT NO. 43-047-32586**

**APPROVAL DATE**

**APPROVED BY**

**TITLE**

**CONDITIONS OF APPROVAL, IF ANY:**

**APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING**

**cc: Utah Division of Oil, Gas & Mining**

**\*See Instructions On Reverse Side**

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**WELL SPACING 644-3-2**

**CONFIDENTIAL - TIGHT HOLE**

**ONSHORE OIL & GAS ORDER NO. 1**

**Approval of Operations on Onshore  
Federal and Indian Oil & Gas Leases**

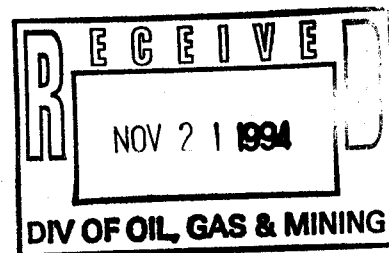
**Right Fork Unit #1  
3835' FNL and 501' FEL  
SE NE Sec. 5, T7S - R23E  
Uintah County, Utah**

**Prepared For:**

**Loma Energy Corp.**

**By:**

**PERMITCO INC.  
13585 Jackson Drive  
Denver, Colorado 80241  
303/452-8888**



**CONFIDENTIAL - TIGHT HOLE**

**Copies Sent To:**

- 3 - BLM - Vernal, Utah**
- 1 - Utah Division of Oil, Gas & Mining - SLC, UT**
- 3 - Loma Energy Corp. - Billings, MT**
- 1 - Riata Energy, Inc. - Amarillo, TX 79109**

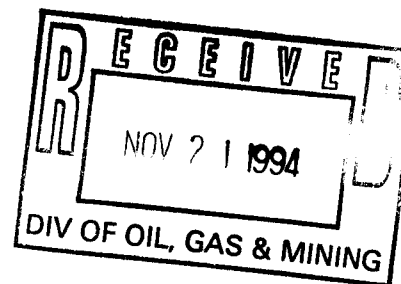


**LOMA ENERGY CORP.**

November 16, 1994

ATTN: MINERALS  
Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078

Re: Wildcat #1 well  
SE1/4NE1/4 Sec 5, T7S-R23E  
Uintah County, Utah



Gentlemen:


This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Loma Energy Corp. when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way applications, etc., for the above-mentioned well.

It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production or compliance with regulations.

Loma Energy Corp. agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above-mentioned well.

Sincerely,

LOMA ENERGY CORP.

  
Douglas R. Hansen  
President

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**SURFACE USE PLAN**

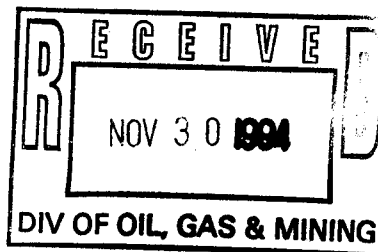
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November 28, 1994

Bureau of Land Management  
170 S. 500 E.  
Vernal, UT 84078

Attn: Wayne Bankert



Re: Loma Energy Corp.  
Right Fork Unit #1  
SE NE Sec. 5, T7S - R23E  
Uintah County, Utah  
Lease No. UTU-0671

43-047-32586

Dear Wayne,

As per our telephone conversation, regarding deficiencies in the above A.P.D., I have revised Page 3 of the Drilling program to indicate that most of the rigs in the area utilize 3000 psi blow out preventer equipment.

In addition, Page 5 of the drilling program has been revised to show 4-1/2", 10.5#, J-55, ST&C production casing. The Choke Manifold Diagram has also been revised per your specifications.

If you should need anything further, please feel free to contact me.

Sincerely,

PERMITCO INC.

Lisa L. Smith  
Consultant for:  
Loma Energy Corp.

Enc.

cc: Loma Energy Corp.  
Utah Division of Oil, Gas & Mining

Permitco Incorporated  
A Petroleum Permitting Company

13585 Jackson Drive Denver, Colorado 80241 (303) 452-8888

ONSHORE ORDER NO. 1  
Loma Energy Corp.  
Right Fork Unit #1  
3835' FNL and 501' FEL  
SE NE Sec. 5, T7S - R23E  
Uintah County, Utah

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DRILLING PROGRAM  
Page 1

ONSHORE OIL & GAS ORDER NO. 1  
Approval of Operations on Onshore  
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Uinta	Surface	
Uinta "B" Marker	2282'	+2715'
Green River	2852'	+2115'
T.D.	3000'	

2. Estimated Depths of Anticipated Water, Oil, Gas or Minerals Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Uinta	2282-2950'
Oil	N/A	
Water	N/A	
Other Mineral Zones	N/A	

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.



**Loma Energy Corp.**

**Lease No. UTU-0671**

**Right Fork Unit #1**

**3835' FNL and 501' FEL**

**SE NE Sec. 5, T7S - R23E**

**DRILLING PROGRAM**

**Uintah County, Utah**

**Page 2**

**3. Pressure Control Equipment: (Schematic Attached)**

**Riata's minimum specifications for pressure control equipment are as follows:**

**Ram Type: 10" Hydraulic double with annular, 3000 psi w.p.**

**Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.**

**Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.**

**As a minimum, the above test shall be performed:**

- a. when initially installed;**
- b. whenever any seal subject to test pressure is broken**
- c. following related repairs; and**
- d. at 30-day intervals**

**Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.**

**When testing the kill line valve(s) the check valve shall be held open or the ball removed.**

**Annular preventers shall be functionally operated at least weekly.**

**Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.**

ONSHORE ORDER NO. \_\_\_\_\_  
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Lease No. UTU-0671

DRILLING PROGRAM  
Page 2

3. Pressure Control Equipment: (Schematic Attached)

Loma's minimum specifications for pressure control equipment are as follows:

Ram Type: 10" Hydraulic double with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 2000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

**4. Proposed Casing and Cementing Program:**

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.
- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.

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DRILLING PROGRAM

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- i. Surface casing shall have centralizers on every fourth joint of casing starting with the shoe joint and up to the bottom of the cellar.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- l. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

- m. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>New or Used</u>	
						<u>Type</u>	<u>Used</u>
Surface	0-244'	12-1/4"	8-5/8"	24#	J-55	ST&C	New
Produc.	0-3000'	7-7/8"	4-1/2"	10.5#	J-55	ST&C	New*

\* If used casing is specified it will meet or exceed API standards for new casing.

- n. Casing design subject to revision based on geologic conditions encountered.

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DRILLING PROGRAM

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- o. The cement program will be as follows:

Surface  
0-244'

Type and Amount

± 150 sx Type H cement with 2%  
KCL. Weight 15.4 ppg, Yield 1.11  
cu. ft., Circulate to surface.

Production

Type and Amount

250 sx 50/50 Poz Mix (Yield 1.48 cu.  
ft.) Approximately 1360' of cement.

- p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.
1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
    - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
    - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.

ONSHORE ORDER NC  
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DRILLING PROGRAM

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s. Auxiliary equipment to be used is as follows:

1. Kelly cock
2. No bit float is deemed necessary.
3. A sub with a full opening valve.

5. Mud Program:

a. The proposed circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-2000'	Fresh Water	8.6	---	--	--
2000-3000'	Fresh Water Gel	9.0	45	10cc	8.5

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

b. Mud monitoring equipment to be used is as follows:

1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.

c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355,



in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

- e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

6. Evaluation Program:

The anticipated type and amount of testing, logging and coring are as follows:

- a. Possible RFT in Uinta formation. If they are run the following will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.



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DRILLING PROGRAM

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All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of an Dual Induction from 3000' to surface. An FDC/CNL will be run from 3000' to 1500'.
- c. No cores are anticipated.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program is as follows: Perforate all gas productive zones with 2 shot per foot between depths of 2882' and 2950'. Acidize with 750 gals. MCA.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

7. Abnormal Temperatures or Pressures

- a. No abnormal temperatures or pressures are anticipated. No H<sub>2</sub>S has been encountered in or known to exist from previous wells drilled to similar depths in the general area.
- b. The maximum anticipated bottom hole pressure will be approximately 1290 psi at T.D.

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DRILLING PROGRAM

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8. Anticipated Starting Dates and Notification of Operations:

- a. Drilling may commence during the Summer of 1995.
- b. It is anticipated that the drilling of this well will take approximately 14 days.
- c. The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m, Monday through Friday except holidays), at least 24 hours prior to spudding the well.
- d. Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.
- e. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility , such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.
- f. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.



Permitco Incorporated  
A Petroleum Permitting Company

8. Anticipated Starting Dates and Notification of Operations:

- a. Drilling will commence immediately upon approval of this application due to a December 31, 1994 lease expiration.
- b. It is anticipated that the drilling of this well will take approximately 14 days.
- c. The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m, Monday through Friday except holidays), at least 24 hours prior to spudding the well.
- d. Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.
- e. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.
- f. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

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Loma Energy Corp.  
Right Fork Unit #1  
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DRILLING PROGRAM

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- g. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- h. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- i. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- j. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- k. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- l. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- m. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.

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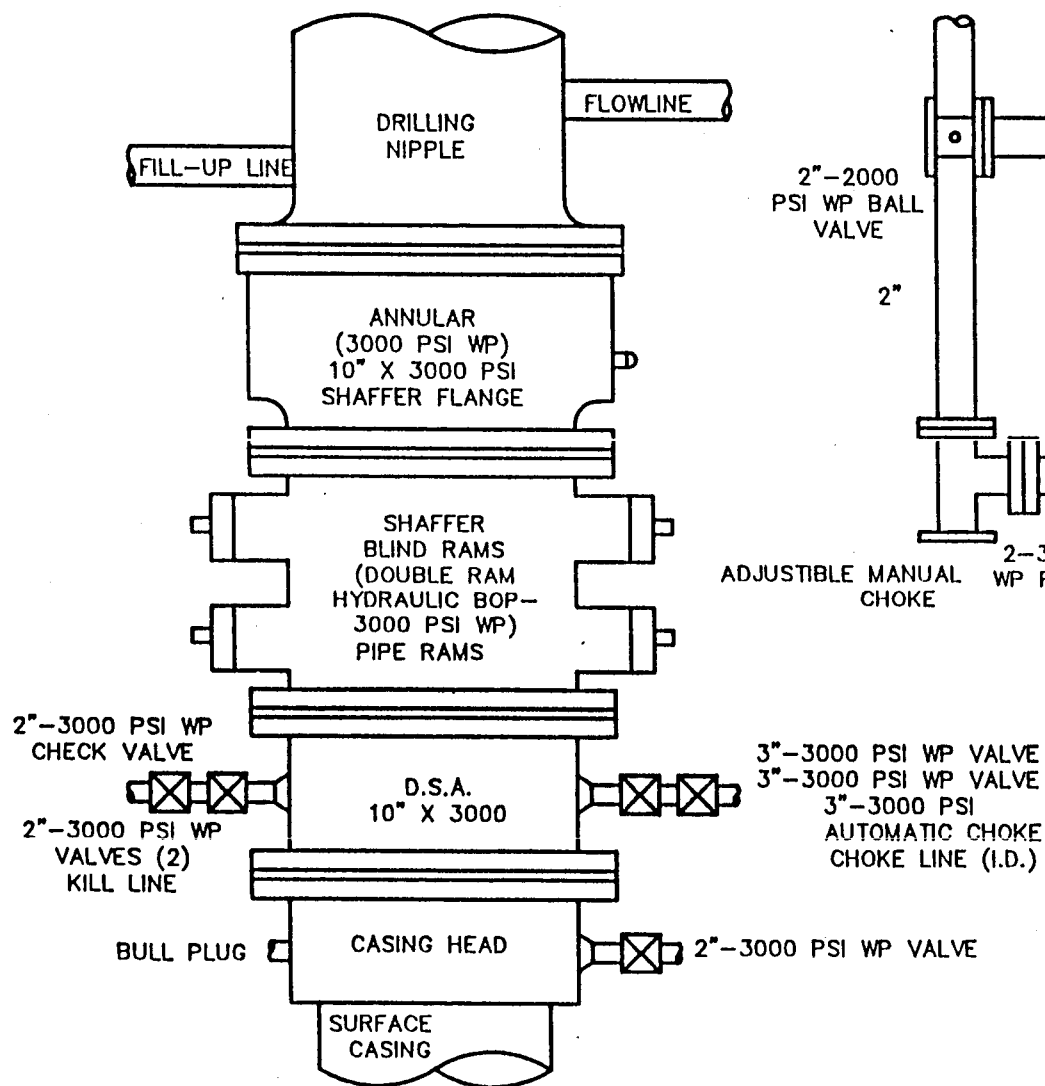
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**DRILLING PROGRAM**

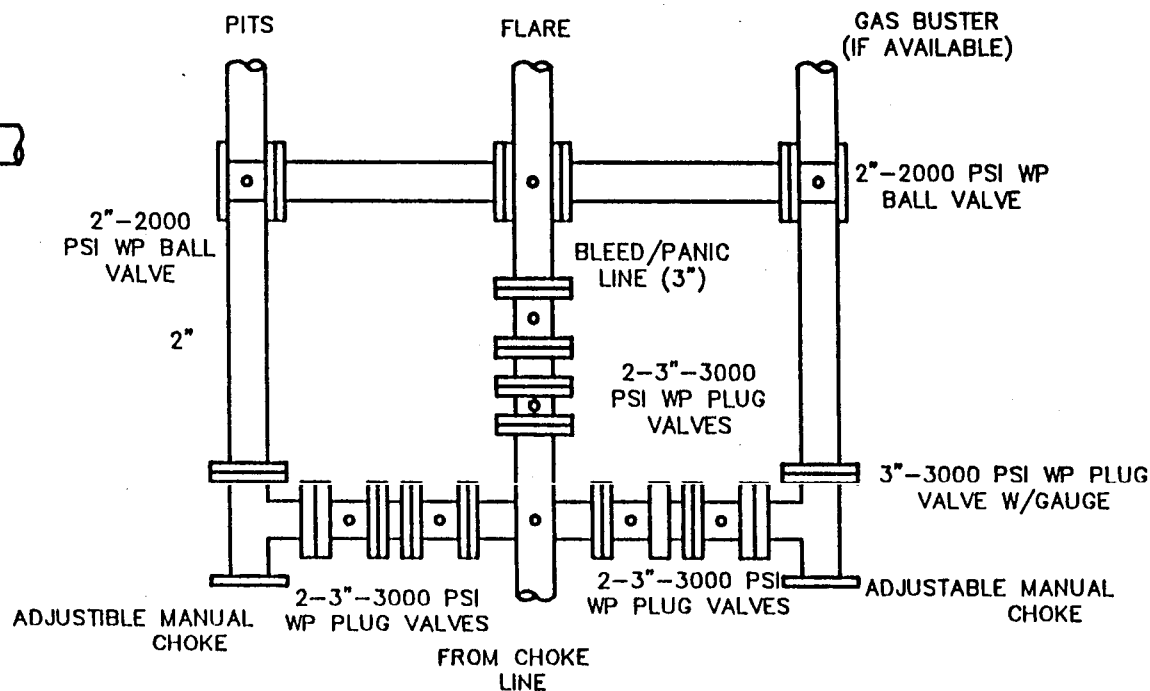
**Page 12**

- n. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- o. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.
- p. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- q. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
- r. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

BOP SCHEMATIC  
3000 PSI WORKING PRESSURE



PLAN VIEW CHOKE MANIFOLD



THE HYDRAULIC CLOSING UNIT WILL BE LOCATED MORE THAN 30' FROM THE WELLHEAD. CHOKE AND BLEED/PANIC LINES WILL GO TO THE PIT AND FLARE. ALL CONNECTIONS IN CHOKE LINES AND MANIFOLD WILL BE FLANGED OR WELDED. ALL FLANGES SHOULD BE RING JOINT GASKET TYPE. ALL TURNS IN LINES SHALL BE CONSTRUCTED USING TARGETING 90° TEES OR ELLS. ALL LINES SHALL BE ANCHORED.

TYPICAL BOP EQUIPMENT. ACTUAL CONFIGURATION MAY VARY SLIGHTLY.

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**SURFACE USE PLAN**

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**ONSHORE OIL & GAS ORDER NO. 1**

**NOTIFICATION REQUIREMENTS**

- |  |   |
|--|---|
| <b>Location Construction -</b>           | <b>forty-eight (48) hours prior to construction of location and access roads.</b>   |
| <b>Location Completion -</b>             | <b>prior to moving on the drilling rig.</b>   |
| <b>Spud Notice -</b>                     | <b>at least twenty-four (24) hours prior to spudding the well.</b>  |
| <b>Casing String and Cementing -</b>     | <b>twenty-four (24) hours prior to running casing and cementing all casing strings.</b>   |
| <b>BOP and Related Equipment Tests -</b> | <b>twenty-four (24) hours prior to initiating pressure tests.</b>   |
| <b>First Production Notice -</b>         | <b>within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.</b> |

The onsite inspection for the subject well was conducted on Tuesday, November 8, 1994 at approximately 8:50 a.m. Weather conditions were cool and sunny. In attendance at the onsite inspection were the following individuals:

**Lanny Kay**  
**Lisa Smith**  
**Greg Darlington**

**Uintah Engineering and Land Surveying**  
**Permitco Inc.**  
**Bureau of Land Management**

**1. Existing Roads**

- a. The proposed well site is located approximately 12.5 miles south of Jensen, Utah.



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- b. **Directions to the location from Jensen, Utah are as follows:**

**From Highway 40 proceed south on Highway 264 for approximately 8.3 miles to the Walker Hollow turnoff. Turn left and proceed southerly on the Walker Hollow Road for 4.2 miles. Turn right onto the new access route (flagged) and proceed westerly for 0.2 miles to the location.**

- c. **For location of access roads within a 2-Mile radius, see Maps A & B.**
- d. **Improvement to the existing access will not be necessary.**
- e. **All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.**
- f. **Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.**

**2. Planned Access Roads**

- a. **Approximately 0.2 miles of new construction will be required as shown on Map B.**
- b. **The maximum grade of the new construction will be approximately 2%.**
- c. **No turnouts are planned.**
- d. **No low water crossings or culverts will be necessary. There are no major cuts and fills.**
- e. **The new access road was centerline flagged at the time of staking.**
- f. **The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.**
- g. **No cattleguards will be necessary.**



- h. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- i. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- j. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- k. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- l. A right of way will be necessary for access roads located outside of Lease No. UTU-0671. Total length of the right of way will be approximately 2.2 miles. An additional 4900 feet of existing access road is located on-lease within Sections 4 & 5. Right of way may be issued to the wellhead if preferred by your office.

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For location of right of way, please see Map "D" attached. The following BLM acreage will be crossed:

T6S - R22E

Sec. 24: SW SE

Sec. 25: NE/4

T6S - R23E

Sec. 29: SW/4

Sec. 30: N/2 SE/4, SW NE, S/2 NE/4

There are no related structures or facilities planned at this time.

The right of way is requested for 30 years or the entire life of the producing well, whichever is longer.

The road will be used year-round for maintenance of production facilities. No construction/upgrading will be required. No temporary work areas will be needed.

3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.  
(See Map #C).

- a. Water wells - none
- b. Injection wells - none
- c. Producing wells - none
- d. Drilling wells - none
- e. Shut-in wells - one
- f. Temporarily abandoned wells - none
- g. Disposal wells - none

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- h. Abandoned wells - one
- i. Dry Holes - none

4. Location of Tank Batteries and Production Facilities.

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Desert Tan (10YR6/3). All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall be surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
- c. A Sundry Notice will be submitted showing placement of all production facilities prior to construction.
- d. All loading lines will be placed inside the berm surrounding the tank battery.
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office.

All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.

- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.
- h. Any necessary pits will be properly fenced to prevent any wildlife entry.
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- l. The road will be maintained in a safe useable condition.

5. Location and Type of Water Supply

- a. All water needed for drilling purposes will be obtained from the municipal source in Jensen, Utah. If the water source should change, the BLM will be notified via Sundry Notice and the appropriate permits will be submitted.
- b. Water will be hauled to location over the roads marked on Maps A and B.
- c. No water well is to be drilled on this lease.

6. Source of Construction Material

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.

7. Methods of Handling Waste Disposal

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.
- b. The need for a reserve pit liner is not anticipated, however, if fractured rock is encountered a 12 mil plastic nylon reinforced liner will be utilized. The pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O. If a pit liner is deemed to be unnecessary, the pit must be inspected by a representative of the Bureau of Land Management prior to putting fluids in the pit.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.



- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- g. A chemical porta-toilet will be furnished with the drilling rig.
- h. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. The operator or his/her contractor shall contact the BLM Office at 801/789-1362 forty-eight (48) hours prior to construction activities.
- b. The reserve pit will be located on the northeast side of the location.
- c. The flare pit will be located downwind of the prevailing wind direction on the east side, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
- d. The stockpiled topsoil (first six inches) will be stored on the west side of the location between points 2 and 8.
- e. Access to the wellpad will be from the southeast between points 7 and 8.
- f. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.

- g. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.
- h. During construction, all brush will be removed from the wellpad and access road and stockpiled separately from the topsoil.
- i. All pits will be fenced according to the following minimum standards:
  - 1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
  - 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
  - 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
  - 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
  - 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.
- j. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

10. Plans for Restoration of Surface

Producing Location

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. The plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.
- e. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer.

The seed mixture for reclamation work will be a sight specific mixture as recommended by the authorized officer of the BLM at the time of reclamation. Seeding will be performed in the fall after September 15 or until permanent ground freeze. Any other seeding period will require the approval of the authorized officer of the BLM.

Dry Hole

- f. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.



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11. Surface Ownership

Access Roads - All roads are County maintained or managed by the Bureau of Land Management with the exception of Section 32 which is managed by the Utah Division of State Lands.

Wellpad - The well pad is located on lands managed by the BLM.

12. Other Information

- a. A Class III archeological survey has been waived by Blaine Phillips of the Bureau of Land Management in Vernal, Utah.
- b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
  - whether the materials appear eligible for the National Register of Historic Places;
  - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
  - a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and

procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- c. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- d. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.
- e. A silt catchment dam and basin will not be required.
- f. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- g. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- h. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.
- i. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

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- j. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period. After permit termination, a new application will be filed for approval for any future operations.
- k. The operator or his contractor shall contact the BLM Offices at 801/789-1362 48 hours prior to construction activities.
- l. The BLM Office shall be notified upon site completion prior to moving on the drilling rig.
- m. In the event after-hours approvals are necessary, please contact one of the following individuals:

Gerald E. Kencska  
Ed Forsman  
BLM Fax Machine

Petroleum Engineer  
Petroleum Engineer

801/781-1190  
801/789-7077  
801/789-3634

**13. Lessee's or Operator's Representative and Certification**

**Permit Matters**

PERMITCO INC.  
Lisa L. Smith  
13585 Jackson Drive  
Denver, CO 80241  
303/452-8888

**Drilling & Completion Matters**

RIATA ENERGY, INC.  
5912 Amarillo Blvd. West  
Amarillo, TX 79106  
James Huling - Mng. - Engineering  
806/352-2936

**Certification**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Riata Energy, Inc., its



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A Petroleum Permitting Company

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Gerald E. Kencska  
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BLM Fax Machine

Petroleum Engineer  
Petroleum Engineer

801/781-1190  
801/789-7077  
801/789-3634

13. Lessee's or Operator's Representative and Certification

Permit Matters

PERMITCO INC.  
Lisa L. Smith  
13585 Jackson Drive  
Denver, CO 80241  
303/452-8888

Drilling & Completion Matters

LOMA ENERGY CORP.  
P.O. Box 21395  
Billings, MT 59104  
Doug Hansen

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Loma Energy Corp., its



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**CONFIDENTIAL - TIGHT HOLE**


Lease No. UTU-0671

**SURFACE USE PLAN**  
Page 14

contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

January 27, 1995  
Date:

  
\_\_\_\_\_  
Lisa L. Smith - PERMITCO INC.  
Authorized Agent for:  
RIATA ENERGY, INC.

ONSHORE ORDER N  
Loma Energy Corp.  
Right Fork Unit #1  
3835' FNL and 501' FEL  
SE NE Sec. 5, T7S - R23E  
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-0671


SURFACE USE PLAN

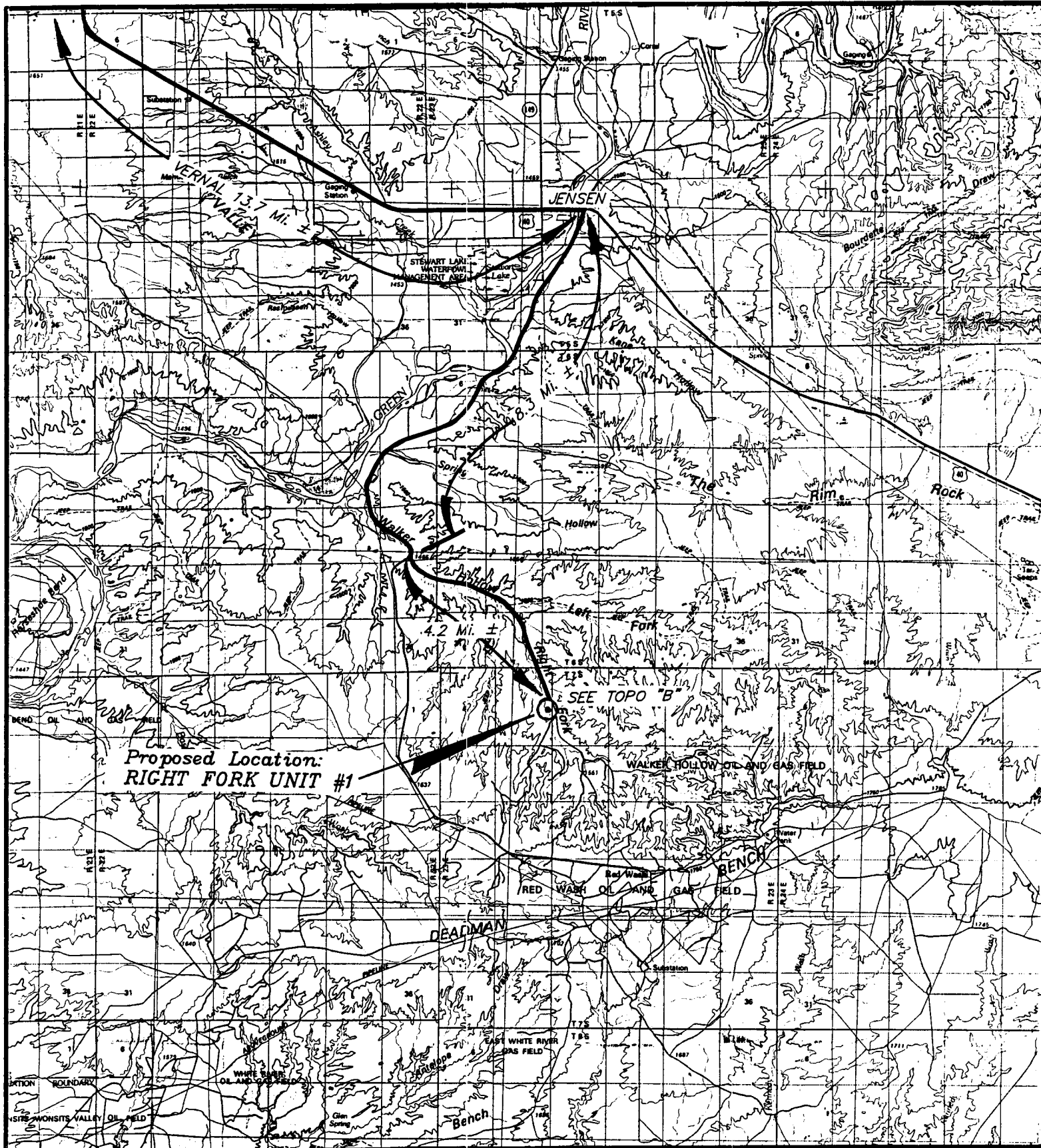
Page 14

contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

November 17, 1994  
Date:

  
\_\_\_\_\_  
Lisa L. Smith - PERMITCO INC.  
Authorized Agent for:  
LOMA ENERGY CORP.

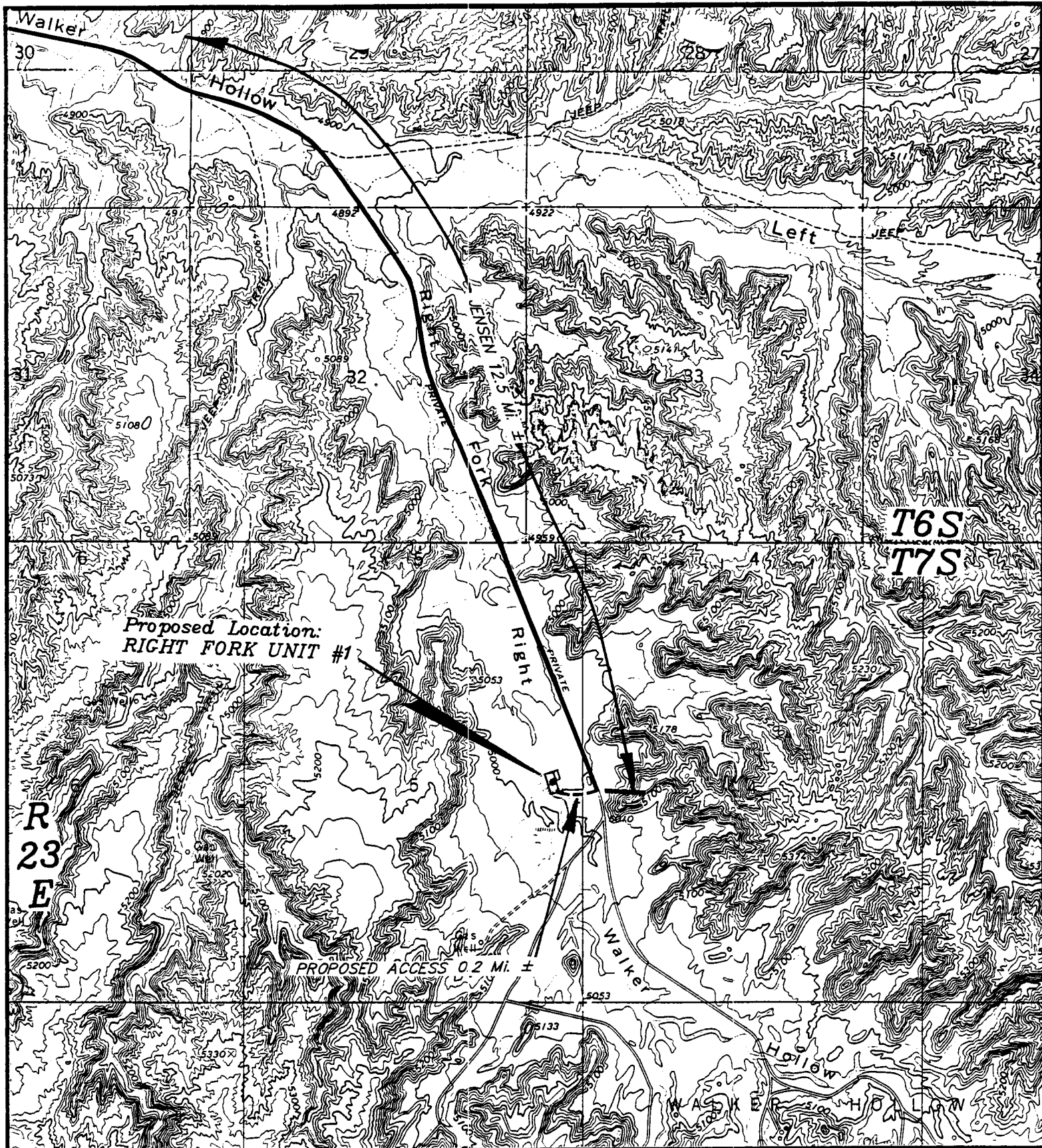


TOPOGRAPHIC  
MAP "A"



RIATA ENERGY, INC.  
RIGHT FORK UNIT #1  
SECTION 5, T7S, R23E, S.L.B.&M.  
3835' FNL 501' FEL

DATE: 11/7/94 D.COX



TOPOGRAPHIC  
MAP "B"

SCALE: 1"=2000'

DATE: 11/7/94 D.COX



RIATA ENERGY, INC.

RIGHT FORK UNIT #1  
SECTION 5, T7S, R23E, S.L.B.&M.  
3835' FNL 501' FEL



DATE: 11-7-94 D.COX



To Jensen, UT

R22E

R23E

N

T6S

T7S

Highway 264

Walker

Hollow

State Lands

Right Fork

Lease # UTU-0671

Right Fork Unit #1

**MAP D**

**Loma Energy Corp.**

**Right Fork Unit #1**

**3835' FNL and 501' FEL**

**SE NE Sec. 5, T7S - R23E**

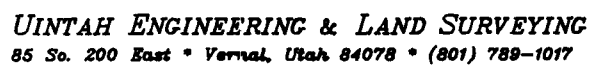
**Uintah County, Utah**

○ Proposed Location

— BLM ROW Requested

— On Lease Portion of Access

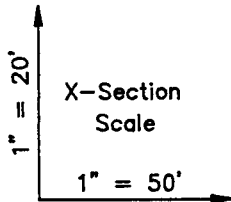




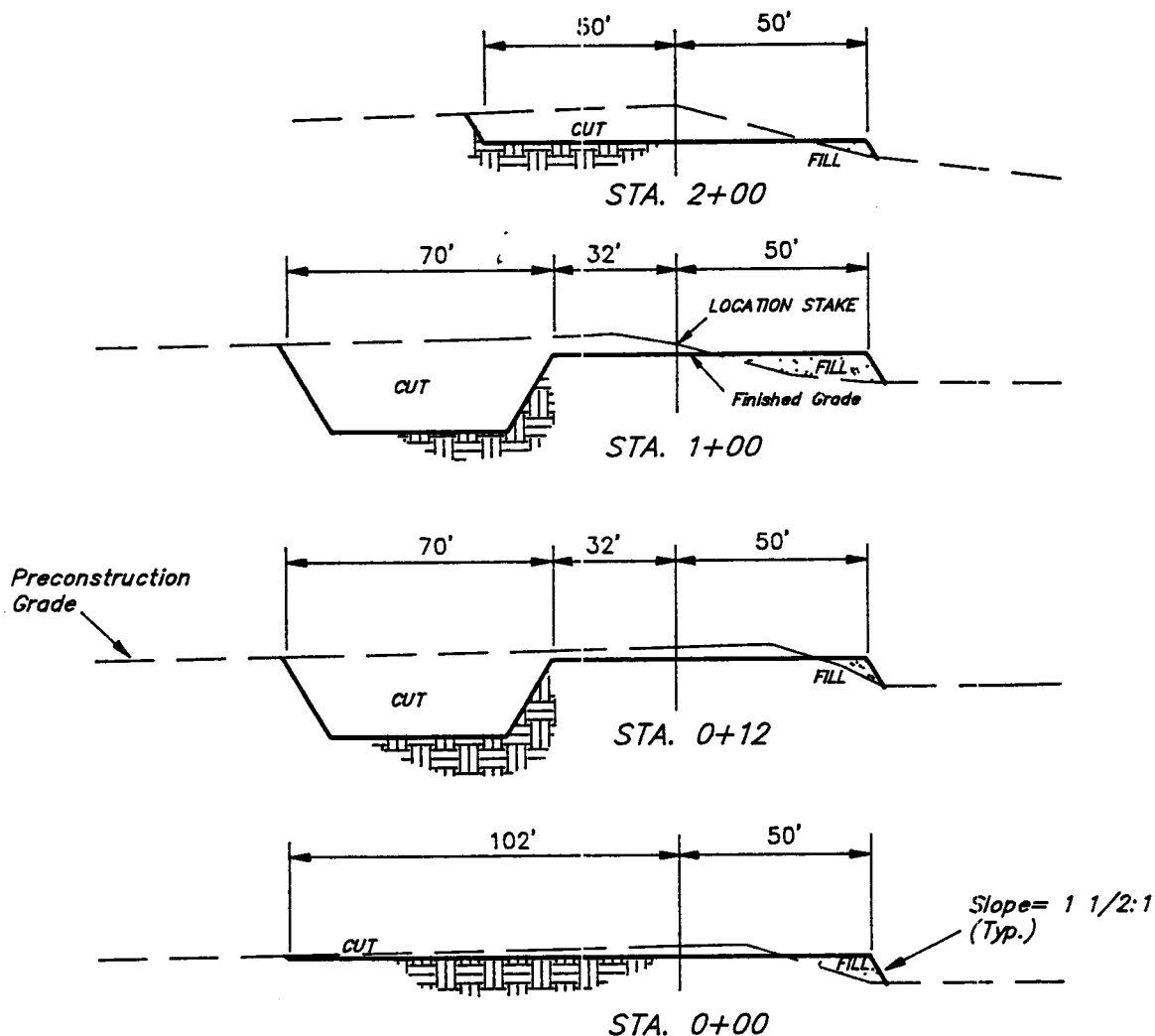
# RIATA ENERGY, INC.

## TYPICAL CROSS SECTIONS FOR

RIGHT FORK UNIT #1  
SECTION 5, T7S, R23E, S.L.B.&M.  
3835' FNL 501' FEL



DATE: 11-7-94  
Drawn By: D.R.B.



### NOTE:

Topsoil should not be  
Stripped Below Finished  
Grade on Substructure Area.

### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 480 Cu. Yds.
Remaining Location	= 2,470 Cu. Yds.
TOTAL CUT	= 2,950 CU.YDS.
FILL	= 490 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,430 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 1,330 Cu. Yds.
EXCESS CUT MATERIAL	= 1,100 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

**There are no federal stipulations at this time.**



**A Class III Archeological Survey has been waived by Blaine Phillips of the Bureau of Land Management in Vernal, Utah.**



**A Wastewater Permit will be filed with the Uintah Basin District Health Department once a rig has been selected.**



WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/21/94

API NO. ASSIGNED: 43-047-32586

WELL NAME: RIGHT FORK UNIT #1  
OPERATOR: ~~LOMA ENERGY CORP.~~ (N9225)

*Riata Energy, Inc.* (N8205)

PROPOSED LOCATION:

SENE 05 - T07S - R23E  
SURFACE: 3835-FNL-0501-FEL  
BOTTOM: 3835-FNL-0501-FEL  
UINTAH COUNTY  
WALKER HOLLOW FIELD (700)

LEASE TYPE: FED  
LEASE NUMBER: UTU-0671

PROPOSED PRODUCING FORMATION: UNTA

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

Y Plat  
N Bond: Federal[] State[] Fee[]  
(Number \_\_\_\_\_)  
N Potash (Y/N)  
N Oil shale (Y/N)  
N Water permit  
(Number BY SURVEY)  
N RDCC Review (Y/N)  
(Date: \_\_\_\_\_)

LOCATION AND SITING:

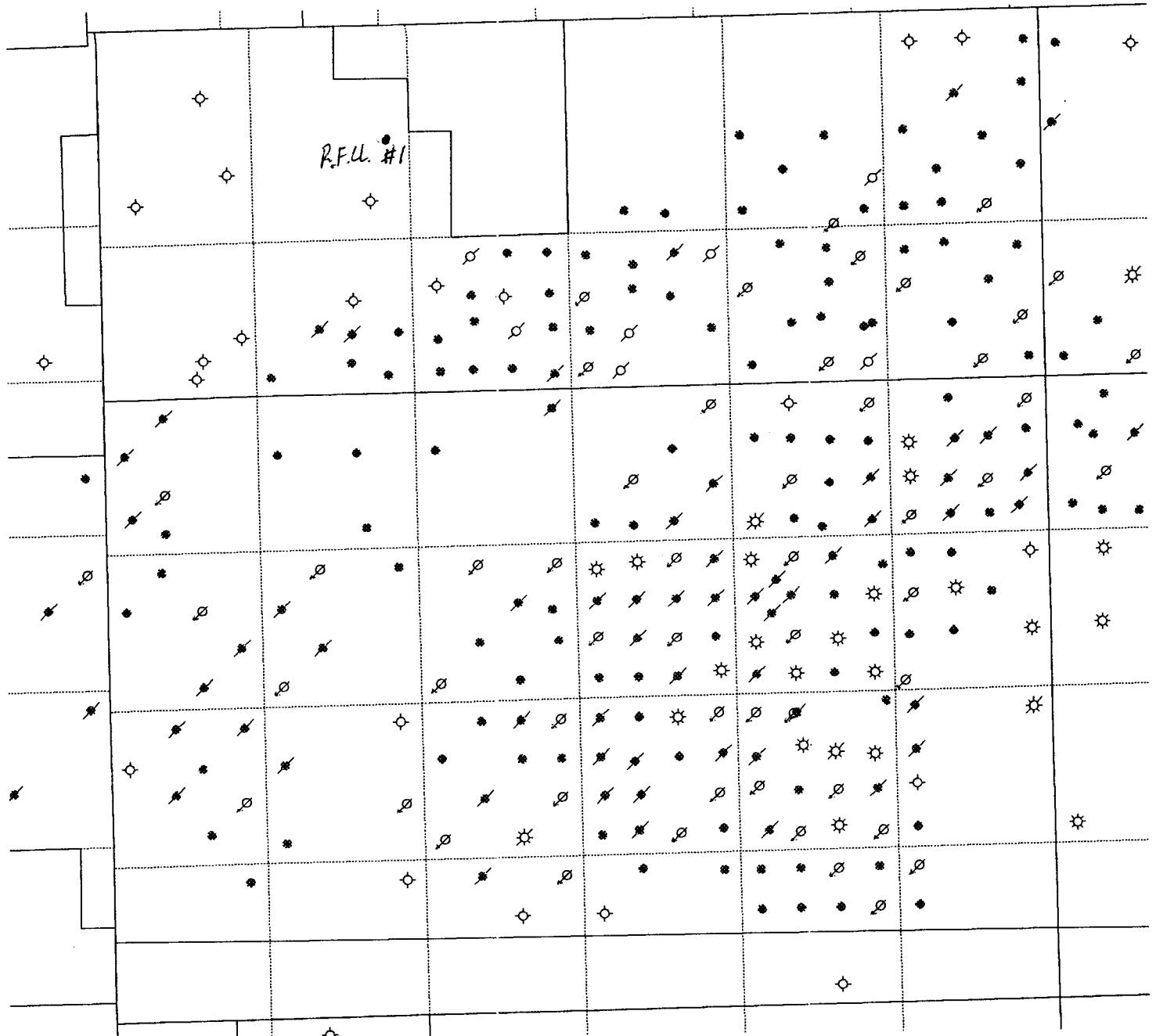
\_\_\_ R649-2-3. Unit: \_\_\_\_\_  
☒ R649-3-2. General.  
\_\_\_ R649-3-3. Exception.  
\_\_\_ Drilling Unit.  
\_\_\_ Board Cause no: \_\_\_\_\_  
\_\_\_ Date: \_\_\_\_\_

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_



LOMA ENERGY CORP.  
RIGHT FORK UNIT #1  
SEC5. T7S, R23E  
UINTAH COUNTY



# STATE OF UTAH

Operator: LOMA ENERGY CORP.	Well Name: RIGHT FORK UNIT #1
Project ID: 43-047-32586	Location: SEC. 05 - T07S - R23E

## Design Parameters:

Mud weight ( 9.00 ppg) : 0.468 psi/ft  
 Shut in surface pressure : 1307 psi  
 Internal gradient (burst) : 0.032 psi/ft  
 Annular gradient (burst) : 0.000 psi/ft  
 Tensile load is determined using buoyed weight  
 Service rating is "Sweet"

## Design Factors:

Collapse : 1.125  
 Burst : 1.00  
 8 Round : 1.80 (J)  
 Buttress : 1.60 (J)  
 Other : 1.50 (J)  
 Body Yield : 1.50 (B)

Length (feet)		Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost	
1	3,000	4.500	10.50	J-55	ST&C	3,000	3.927		
	Load (psi)	Collapse Strgth (psi)	S.F.	Burst Load (psi)	Min Int Strgth (psi)	Yield S.F.	Tension Load (kips)	Strgth (kips)	S.F.
1	1403	4010	2.859	1403	4790	3.42	27.17	132	4.86 J

Prepared by : FRM, Salt Lake City, UT  
 Date : 02-02-1995  
 Remarks :

Minimum segment length for the 3,000 foot well is 1,000 feet.  
 SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas  
 temperature of 89°F (Surface 74°F , BHT 104°F & temp. gradient 1.000°/100 ft.)  
 The mud gradient and bottom hole pressures (for burst) are 0.468 psi/ft and  
 1,403 psi, respectively.

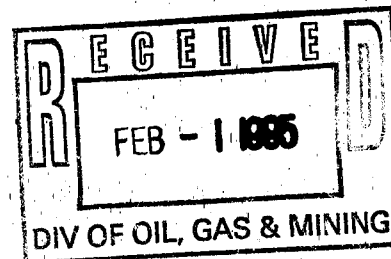
**NOTE:** The design factors used in this casing string design are as shown above. As a general guide-  
 line, Lone Star Steel recommends using minimum design factors of 1.125 - Collapse (with  
 evacuated casing), 1.0 - Burst, 1.8 - 8 Round Tension, 1.6 - Buttress Tension, and 1.5 - Body  
 Yield. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and  
 Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.  
 Costs for this design are based on a 1987 pricing model. (Version 1.06)



January 27, 1995

Bureau of Land Management  
170 S. 500 E.  
Vernal, UT 84078

Attn: Margie Herrmann



Re: **Riata Energy, Inc.**  
**Right Fork Unit #1**  
**SE NE Sec. 5, T7S - R23E**  
**Uintah County, Utah**

Dear Margie,

As we discussed, the above mentioned location was originally permitted by Loma Energy Corp., however the A.P.D. was never approved since Loma was not properly bonded and they were not the unit operator.

Since Riata Energy, Inc. is the unit operator and they are properly bonded, we are requesting that you transfer the A.P.D. into Riata's name.

We have enclosed three copies each of the Form 3160-3 showing the name change as well as various pages from the drilling program and surface use plan.

If you should need anything further, please don't hesitate to contact me. Approved copies of the A.P.D. can be sent directly to Riata Energy, Inc. in Amarillo, Texas.

Sincerely,

PERMITCO INC.

Lisa L. Smith  
Consultant for:  
Riata Energy, Inc.

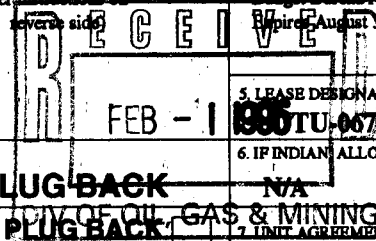
Enc.

cc: **Riata Energy, Inc. - Amarillo, TX**  
**Loma Energy Corp. - Billings, MT**  
**Utah Div. of Oil, Gas & Mining - SLC, UT**

Permitco Incorporated  
A Petroleum Permitting Company

13585 Jackson Drive Denver, Colorado 80241 (303) 452-8888

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT



APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. N/A	
1b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR 806/352-2936 5912 Amarillo Blvd. West Riata Energy, Inc. Amarillo, TX 79106		7. UNIT AGREEMENT NAME Right Fork Unit	
3. ADDRESS OF OPERATOR 303/452-8888 13585 Jackson Drive PERMITCO INC. - Agent Denver, CO 80241		8. FARM OR LEASE NAME Right Fork Unit	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At Surface 3835' FNL and 501' FEL At proposed Prod. Zone SE NE Sec. 5, T7S - R23E		9. WELL NO. #1	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12.5 miles south of Jensen, Utah		10. FIELD AND POOL OR WILDCAT Wildcat	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any). 501'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 5, T7S - R23E	
16. NO. OF ACRES IN LEASE 1863.07		12. COUNTY OR PARISH Uintah	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE Utah	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. None		19. PROPOSED DEPTH 3,000'	
20. ROTARY OR CABLE TOOLS Rotary		21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4493' GR	
22. APPROX. DATE WORK WILL START* Upon approval of this application Lease Expiration 12/31/94		23. PROPOSED CASING AND CEMENTING PROGRAM	
24. SIGNED <i>Dean G. Smith</i> (This space for Federal or State office use)		25. TITLE Riata Energy, Inc.	
26. DATE 01/27/95		27. PERMIT NO. 43-047-32586	
28. APPROVAL DATE		29. APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING	
30. DATE 2/2/95		31. BY: <i>John H. Smith</i>	
32. WELL SPACING 1/4 - 3/4		33. cc: Utah Division of Oil, Gas & Mining	

Riata Energy, Inc. proposes to drill a well to 3000' to test the Uinta formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements

See Onshore Order No. 1 attached.

Please be advised that Riata Energy, Inc. is considered to be the Operator of the above mentioned well. Riata Energy Corp. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Riata Energy, Inc. under their statewide BLM Bond #UT-1006.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED *Dean G. Smith* CONSULTANT FOR: Riata Energy, Inc. DATE 01/27/95

PERMIT NO. 43-047-32586 APPROVAL DATE APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

cc: Utah Division of Oil, Gas & Mining

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States Government, any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

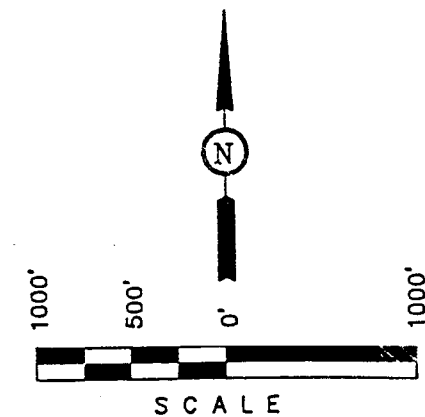
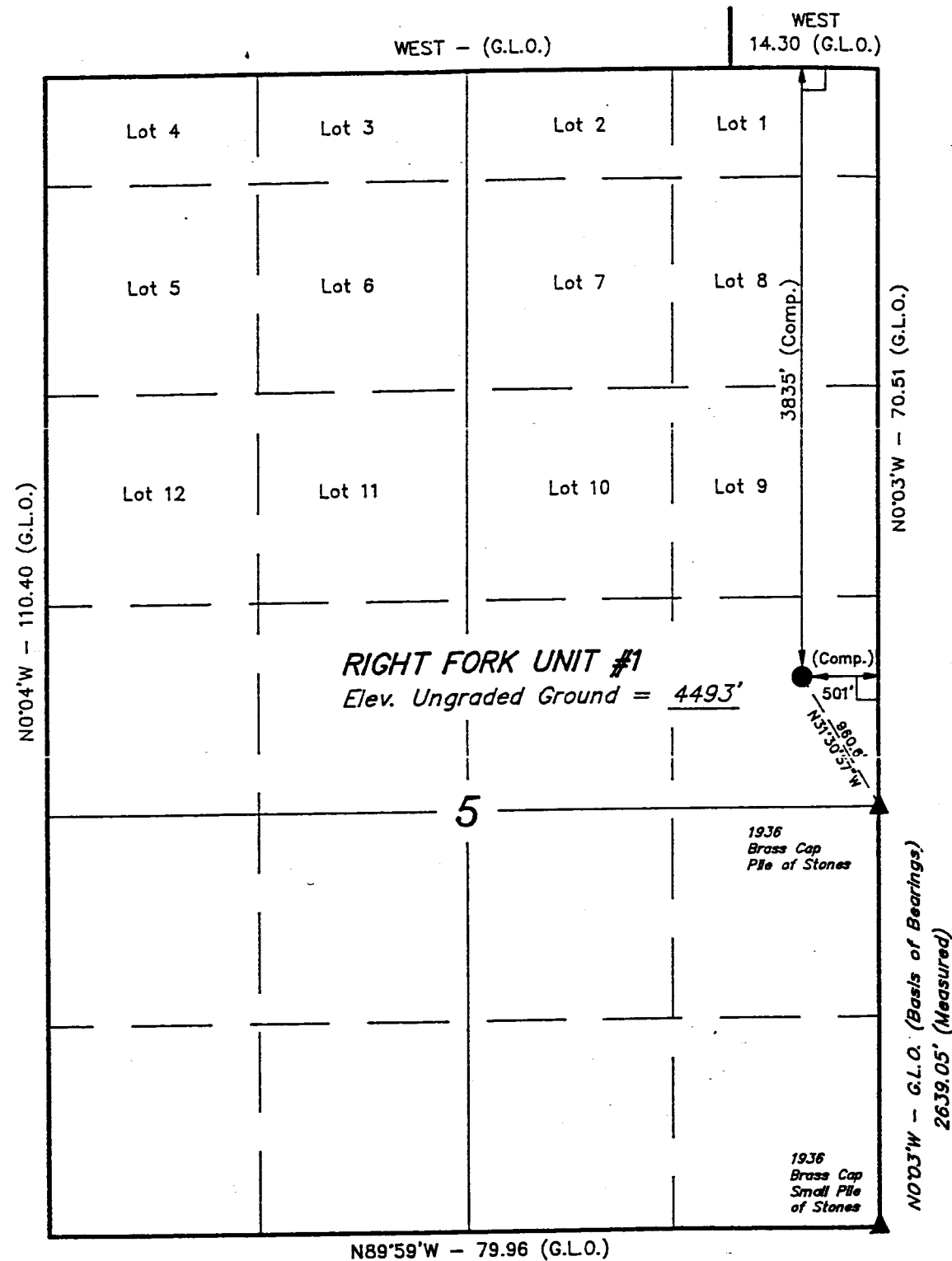
*T7S, R23E, S.L.B.&M.*

RIATA ENERGY, INC.

Well location, RIGHT FORK UNIT #1, located  
as shown in the SE 1/4 NE 1/4 of Section  
5, T7S, R23E, S.L.B.&M. Uintah County, Utah.

## BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION 5, T7S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5053 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM  
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY  
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE  
BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

LEGEND:

- L = 90° SYMBOL  
 ● = PROPOSED WELL HEAD.  
 ▲ = SECTION CORNERS LOCATED. (*Brass Caps*)

**UNTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 11-6-94	DATE DRAWN: 11-7-94
PARTY D.K. B.R. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE RIATA ENERGY, INC.	

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

PHONE CONVERSATION DOCUMENTATION FORM

☒ This is the original form ☐ or a copy ☐

☒ Route this form to:

☐ WELL FILE \_\_\_\_\_

☐ SUSPENSE

☒ OTHER

Return date \_\_\_\_\_

To: initials \_\_\_\_\_

*Open File*  
*MH-FYE*

Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_

API number \_\_\_\_\_

Date of phone call: 11-28-94 Time: 11:42

DOGM employee (name) J. Cordova Initiated call? ☒

Spoke with:

Name Della Initiated call? ☐

of (company/organization) Dept. of Commerce / Corporations Phone no. 530-4849 (1)

Topic of conversation: Loma Energy Corp. N 9225

Highlights of conversation: \_\_\_\_\_

*Revoked 5-1-94 for failure to file an annual report.*

*# 168350*

*\* Dept. of Commerce / Corp.*

Post-It™ routing request pad 7664  
BRAND

ROUTING - REQUEST

Please

☐

READ

To MH

☐

HANDLE

*We set up open last week.*

☐

APPROVE

*Have you appr. new APD*

and

☐

FORWARD

*as of yet? If not, and if*

☐

RETURN

*you talk to either Permit or*

☒

KEEP OR DISCARD

*Loma, please mention*

☐

REVIEW WITH ME

*getting re-instated w/ Dept. of Comm.*

Date 11-28-94

From Lisha *Thank you!*



**State of Utah**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Ted Stewart  
Executive Director

James W. Carter  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340  
801-359-3940 (Fax)  
801-538-5319 (TDD)

February 2, 1995

**Riata Energy, Inc.**  
5912 Amarillo Blvd. West  
Amarillo, Texas 79106

**Re: Right Fork Unit #1 Well, 3835' FNL, 501' FEL, SE SE, Sec. 5, T. 7 S., R. 23 E.,  
Uintah County, Utah**

**Gentlemen:**

Pursuant to Utah Admin. R. 649-3-2, Location and Siting of Wells and Utah Admin. R. 649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules.
2. Notification to the Division within 24 hours after drilling operations commence.
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.
6. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or K. Michael Hebertson, Reclamation Specialist, (Home) (801)269-9212.

Page 2  
Riata Energy, Inc.  
Right Fork Unit #1 Well  
February 2, 1995

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-047-32586.

Sincerely,

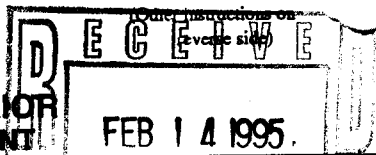


R.J. Fifth  
Associate Director

ldc  
Enclosures  
cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office  
WOI1



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT



APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-0671	
1b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR Riata Energy, Inc.		7. UNIT AGREEMENT NAME Right Fork Unit	
3. ADDRESS OF OPERATOR PERMITCO INC. - Agent		8. FARM OR LEASE NAME Right Fork Unit	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface 3835' FNL and 501' FEL At proposed Prod. Zone SE NE Sec. 5, T7S - R23E		9. WELL NO. #1	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12.5 miles south of Jensen, Utah		10. FIELD AND POOL OR WILDCAT Wildcat	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 501'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 5, T7S - R23E	
16. NO. OF ACRES IN LEASE 1863.07		12. COUNTY OR PARISH Utah	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE Utah	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. None		20. ROTARY OR CABLE TOOLS Rotary	
19. PROPOSED DEPTH 3,000'		22. APPROX. DATE WORK WILL START* Upon approval of this application	
21. ELEVATIONS (Show whether DP, RT, GR, etc.) 4493' GR		Lease Expiration 12/31/94	
23. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH
12-1/4"	8-5/8"	24#	244'
7-7/8"	4-1/2"	10.5	3,000'
QUANTITY OF CEMENT +/- 150 sx Type H - Circ to surf. 250 sx or suffic to cover zones			

of interest.

Riata Energy, Inc. proposes to drill a well to 3000' to test the Uinta formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements

See Onshore Order No. 1 attached.

Please be advised that Riata Energy, Inc. is considered to be the Operator of the above mentioned well. Riata Energy Corp. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Riata Energy, Inc. under their statewide BLM Bond #UT-1006.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] Consultant for: Riata Energy, Inc. DATE 01/27/95

(This space for Federal or State office use)

PERMIT NO. 43-047-32586 APPROVAL DATE  
APPROVED BY [Signature] TITLE ASSISTANT DISTRICT MANAGER DATE FEB 02 1995

cc: Utah Division of Oil, Gas & Mining

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED  
TO OPERATOR'S COPY

**CONDITIONS OF APPROVAL**  
**APPLICATION FOR PERMIT TO DRILL**

Company/Operator: RIATA ENERGY, INC.

Well Name & Number: Right Fork No. 1

API Number: 43-047-32586

Lease Number: U-0671

Location: SENE Sec. 05 T. 07 S R. 23 E

**NOTIFICATION REQUIREMENTS**

- |                                 |   |   |
|---------------------------------|---|---|
| Location Construction           | - | at least forty-eight (48) hours prior to construction of location and access roads.   |
| Location Completion             | - | prior to moving on the drilling rig.  |
| Spud Notice                     | - | at least twenty-four (24) hours prior to spudding the well.   |
| Casing String and Cementing     | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings.   |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests.   |
| First Production Notice         | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

### A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 3M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

The Vernal District Office shall be notified, at least 24 hours prior to initiating the pressure tests, in order to have a BLM representative on location during pressure testing.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

If usable water and oil shale resources are encountered while drilling, they shall be isolated and/or protected via the cementing program. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

The Vernal District Office shall be notified at least 24 hours prior to the running and cementing of all casing strings, in order to have a BLM representative on location while running and cementing all casing strings.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL) will be run from the production casing shoe to **top of cement** and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. Notifications of Operations

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours prior to spudding the well.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and within 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Wayne Bankert      (801) 789-4170  
Petroleum Engineer

Ed Forsman      (801) 789-7077  
Petroleum Engineer

BLM FAX Machine      (801) 781-4410

**EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES**

While the following wastes are nonexempt, they are not necessarily hazardous.

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.

CONDITIONS OF APPROVAL

Surface Use Plan of Operations

The top soil would be stockpiled between points 2 and 4 on the north side of the pad. The west side of the pad will be brought to grade with fill material. This is shown in the APD layout diagram but not clear in the narrative of the surface use plan.



PC  
2-27-96



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

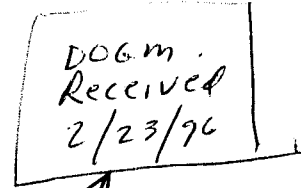
Vernal District Office  
170 South 500 East  
Vernal, Utah 84078-2799

Phone: (801) 781-4400  
Fax: (801) 781-4410

IN REPLY REFER TO:

3162  
UT08438

February 21, 1996



DOGm  
LA DATE

Riata Energy Inc  
5912 Amarillo Blvd West  
Amarillo TX 79106

Re: Notification of Expiration  
Well Right Fork Unit #1  
Section 5, T7S, R23E  
Lease No. U-0671  
Uintah County, Utah

43-047-32586

Gentlemen:

The Application for Permit to Drill the above-referenced well was approved on February 2, 1995. Since that date no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Margie Herrmann  
Legal Instruments Examiner

cc: State Div. OG&M